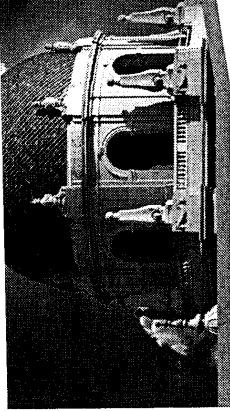


# CITY of PASADENA

## FINANCIAL STATUS REPORT

Fiscal Year 2015 – Year-to-Date through September 2014



### INTRODUCTION

The Finance Department has implemented a budget monitoring and forecasting process that allows for faster turnaround of financial data. The Financial Status Report (FSR) is presented to the Finance Committee on a quarterly basis. As noted in previous FSRs, at times, especially, during the CAFR development process, the formal monthly accounting closing process is delayed. By focusing on the posting of items such as payroll, accounts payable, and cash receipts information, assumptions can be made to estimate month-end activity to provide a reasonable basis for forecasting year-end results. The estimates will be adjusted to reflect actual month-end closing data (when complete) and necessary adjustments to the year-end forecast will be included in subsequent quarterly FSRs.

While forecasting methodology employed by staff allows for the analysis of the financial performance for all City funds, this Financial Status Report focuses on major City funds. Besides the General Fund, which is presented in a standalone section of this report, there are two other sections in the FSR: Other Funds and Operating Companies. These sections include financial status data on the following funds/operating companies:

#### Special Revenue Funds:

- Public Health Fund (Fund 203)
- Building Services Fund (204)
- Library Services Fund (Fund 212)
- Selected Housing & Career Services Funds (219 – 224, 226, and 238)

#### Enterprise Funds:

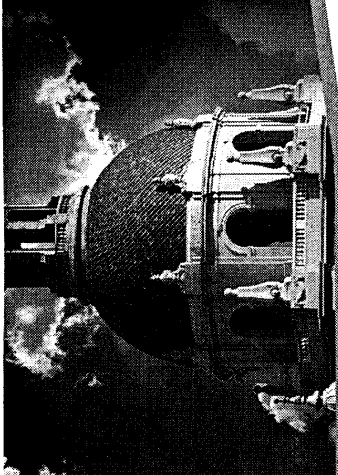
- Light and Power Fund (Funds 401/410)
- Water Fund (Fund 402)

#### Internal Service Funds:

- Computing and Telecommunications Fund (Fund 501)
- Building Maintenance Fund (502)
- Fleet Maintenance Fund (Fund 503)
- Printing Services Fund (508)

#### Operating Companies:

- Pasadena Center Operating Company (PCOC)
- Rose Bowl Operating Company (RBOC)
- Pasadena Community Access Corporation (PCAC)



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Funds other than those noted above will be included in future financial reports as necessary based on the issues identified as potentially problematic, trends that are much better than originally anticipated, or items specifically requested by the City Council or the Finance Committee.

The purpose of these FSRs is to provide an estimate of the fiscal, year-end results based on current and extrapolated performance using recent financial performance trends. Year-end projections are based on a comparison and analysis of fiscal performance for the current fiscal year and the same period over the previous four fiscal years. The formula-based forecast is adjusted to reflect the fiscal impact of any one-time event or other non-trend based factors.

This FSR provides a forecast of where revenues and expenses are anticipated to be at the end of Fiscal Year (FY) 2015. For this report, the analysis encompasses activity from July 1, 2014 through September 30, 2014, the first quarter of FY 2015.

Through the first three months of FY 2015, the General Fund, and most non-General Funds, are projected to be at budget or have revenues exceeding expenses at a rate better than anticipated in the adopted budget. However, it is still

relatively early in the fiscal year to assume these trends will continue. Also, the forecast included in the report was prepared using *preliminary* data for September 2014. Staff continues to closely monitor revenues and expenses to ensure unfavorable trends are identified and addressed as quickly as possible.

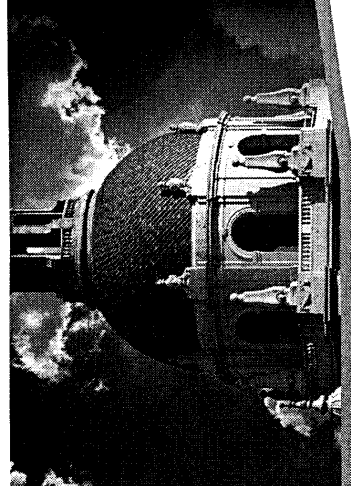
### FORECAST BACKGROUND AND ISSUES OF CONCERN

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As previously reported, the economic environment, including the City of Pasadena, has shown improvement over the past few years. Retail sales consistently improved since FY 2011. Property values are rising and housing sales are improving. Development activity is also showing significant signs of improvement, and the unemployment rate for Pasadena continues to decline.

Use of these positive signs of economic improvement to develop forecast assumptions however, must be tempered with the numerous challenges previously identified by staff that may materialize over the next several years. These challenges include, but are not limited to:

- Increased pension and health care costs



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- Funding for other Post Retirement Employee Benefits (OPEB) liabilities
- Labor negotiations
- Unfunded infrastructure maintenance and replacement
- Replenishment of rainy day reserve funds

### **GENERAL FUND**

As detailed in this report, based on three months of estimated actual data, the FY 2015 General Fund operating surplus is estimated to be approximately \$919,000. This estimate, however, is based on only the first three months of the fiscal year and will very likely change.

#### **Revenue Forecast**

Overall, General Fund revenues are forecast to end the year at approximately \$775,000 or 0.4 percent under budget. This unfavorable variance can be attributed to slightly lower (\$1.1 million or 0.8 percent) than the budgeted forecast of tax revenues. Based on a trend analysis, Utility Users Tax (UUT) is forecast to be \$502,000 below budget. However, given limited first quarter data, this variance may be overly conservative. Staff will monitor UUT revenues closely and will

recommend corrective actions if the trend continues and there are no offsetting favorable revenue variances through the second quarter of FY 2015.

#### **Expense Forecast**

Both the Personnel and Services & Supplies expense categories are forecast to end the fiscal year slightly under budget. Personnel costs in the General Fund are tracking approximately \$1.2 million or 0.9 percent under budget. Services & Supplies are forecast to end FY 2015 \$445,000 under budget.

Combined, the expense forecast estimates the General Fund will end FY 2015 \$1.6 million or 0.8 percent under budget. This favorable expense variance more than offsets the unfavorable forecast to General Fund revenues; however, as stated previously, these estimates are based on preliminary first quarter financial activity and will change as the fiscal year progresses.

The chart on the following page reflects estimated financial activity through September for the past four fiscal years, the resulting forecast, and the forecast to budget variance for the General Fund.

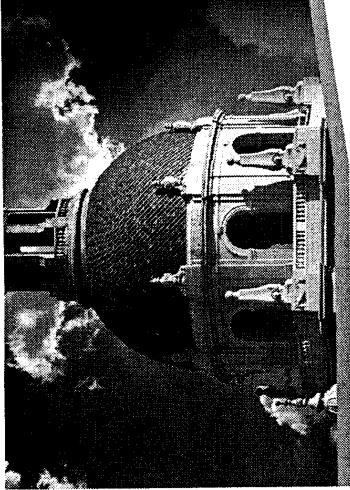
# CITY of PASADENA

## FINANCIAL STATUS REPORT

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### General Fund (101)

|                           | Year-to-Date Actuals<br>July - September |                     |                     |                    | Preliminary<br>FY 2015 | Fiscal Year<br>2015            |                    | Forecast Variance<br>from Budget |                    |               |
|---------------------------|--|---------------------|---------------------|--------------------|------------------------|--------------------------------|--------------------|----------------------------------|--------------------|---------------|
|                           | FY 2011                                  | FY 2012             | FY 2013             | FY 2014            |                        | Year-to-Date<br>as % of Budget | Revised<br>Budget  |                                  | Forecast           |               |
| <b>Revenues</b>           |  |                     |                     |                    |                        |                                |                    |                                  |                    |               |
| Taxes                     | 16,318,671                               | 16,150,161          | 17,233,532          | 16,969,803         | 17,459,685             | 12.5%                          | 139,149,100        | 138,093,262                      | (1,055,838)        | (0.8%)        |
| Licenses and Permits      | 506,677                                  | 548,970             | 558,947             | 690,826            | 576,355                | 16.7%                          | 3,444,575          | 2,941,343                        | (503,232)          | (14.6%)       |
| Charges For Services      | 9,642,803                                | 4,565,482           | 2,428,454           | 4,815,489          | 5,363,057              | 23.7%                          | 22,586,020         | 23,390,969                       | 804,949            | 3.6%          |
| Intergovernmental Revenue | 107,031                                  | 102,873             | 420,217             | 130,761            | 190,221                | 1.3%                           | 14,557,443         | 14,524,941                       | (32,502)           | (0.2%)        |
| Fines and Forfeitures     | 1,167,283                                | 1,448,435           | 1,604,985           | 1,122,903          | 1,335,902              | 19.8%                          | 6,763,091          | 6,748,254                        | (14,837)           | (0.2%)        |
| Rental Income             | 150,842                                  | 142,927             | 214,396             | 223,274            | 182,860                | 15.2%                          | 1,205,589          | 1,288,392                        | 82,803             | 6.9%          |
| Investment Earnings       | 40,858                                   | 99,033              | 286,730             | 145,100            | 142,680                | 10.0%                          | 1,424,894          | 1,095,171                        | (329,723)          | (23.1%)       |
| Transfers In              | 10,316,828                               | 13,526,405          | 13,175,156          | 11,003,222         | 12,005,403             | 62.9%                          | 19,092,226         | 19,092,226                       | 0                  | 0.0%          |
| Miscellaneous Revenues    | 347,369                                  | 537,017             | 238,982             | 344,657            | 367,006                | 26.8%                          | 1,370,154          | 1,643,083                        | 272,929            | 19.9%         |
| <b>Revenues Total</b>     | <b>38,598,364</b>                        | <b>37,120,302</b>   | <b>36,161,400</b>   | <b>35,446,034</b>  | <b>37,623,168</b>      | <b>18.0%</b>                   | <b>209,593,092</b> | <b>208,817,642</b>               | <b>(775,450)</b>   | <b>(0.4%)</b> |
| <b>Expenses</b>           |  |                     |                     |                    |                        |                                |                    |                                  |                    |               |
| Personnel                 | 34,293,203                               | 34,228,534          | 28,735,779          | 28,943,880         | 30,027,479             | 23.1%                          | 129,733,124        | 128,556,812                      | (1,176,312)        | 0.9%          |
| Services and Supplies     | 4,507,987                                | 4,571,131           | 3,231,908           | 3,994,949          | 4,076,494              | 12.1%                          | 33,815,047         | 33,369,927                       | (445,120)          | 1.3%          |
| Equipment                 | 0  | 0                   | 35,805              | 24,997             | 15,200                 | 6.4%                           | 236,476            | 241,725                          | (5,249)            | (2.2%)        |
| Internal Service Charges  | 3,589,440                                | 3,853,326           | 4,096,636           | 4,194,097          | 3,933,375              | 21.5%                          | 18,302,993         | 18,302,993                       | 0                  | 0.0%          |
| Debt Service              | 2,314,348                                | 3,370,317           | 10,656,943          | 1,916,537          | 4,564,536              | 33.0%                          | 13,828,122         | 13,828,122                       | 0                  | 0.0%          |
| Transfers Out             | 3,228,007                                | 3,634,382           | 3,511,142           | 2,871,095          | 3,336,157              | 24.5%                          | 13,599,056         | 13,599,056                       | 0                  | 0.0%          |
| <b>Expenses Total</b>     | <b>47,932,985</b>                        | <b>49,657,690</b>   | <b>50,268,213</b>   | <b>42,045,556</b>  | <b>45,953,241</b>      | <b>21.9%</b>                   | <b>209,514,818</b> | <b>207,898,635</b>               | <b>1,616,183</b>   | <b>0.8%</b>   |
| <b>Surplus/(Deficit)</b>  | <b>(9,334,621)</b>                       | <b>(12,537,387)</b> | <b>(14,106,813)</b> | <b>(6,599,522)</b> | <b>(8,330,073)</b>     |                                | <b>78,274</b>      | <b>919,007</b>                   | <b>840,733</b>     |               |
| <b>Tax Revenues</b>       |  |                     |                     |                    |                        |                                |                    |                                  |                    |               |
| <b>Taxes</b>              |  |                     |                     |                    |                        |                                |                    |                                  |                    |               |
| Property Tax              | 1,716,044                                | 1,875,523           | 1,306,889           | 1,536,645          | 1,608,775              | 3.6%                           | 44,120,000         | 43,834,914                       | (285,086)          | -0.6%         |
| Sales Tax                 | 1,951,572                                | 1,634,666           | 2,081,360           | 1,977,468          | 1,911,267              | 5.8%                           | 33,140,000         | 33,140,000                       | 0                  | 0.0%          |
| Utility Users Tax         | 6,444,241                                | 6,655,581           | 6,840,178           | 6,672,205          | 6,653,051              | 21.7%                          | 30,601,500         | 30,100,000                       | (501,500)          | (1.6%)        |
| Transient Occupancy Tax   | 1,921,526                                | 2,138,157           | 2,851,092           | 3,050,444          | 3,200,000              | 25.0%                          | 12,800,500         | 12,800,500                       | 0                  | 0.0%          |
| Construction Tax          | 563,933                                  | 372,495             | 686,058             | 415,090            | 509,394                | 21.2%                          | 2,400,000          | 2,127,348                        | (272,652)          | (11.4%)       |
| Franchise Tax             | 399,811                                  | 251,465             | 285,658             | 135,273            | 350,000                | 10.8%                          | 3,237,100          | 3,240,000                        | 2,900              | 0.1%          |
| Other Taxes               | 3,321,544                                | 3,222,274           | 3,182,298           | 3,182,678          | 3,227,199              | 25.1%                          | 12,850,000         | 12,850,500                       | 500                | 0.0%          |
| <b>Taxes Total</b>        | <b>16,318,671</b>                        | <b>16,150,161</b>   | <b>17,233,532</b>   | <b>16,969,803</b>  | <b>17,459,685</b>      | <b>12.5%</b>                   | <b>139,149,100</b> | <b>138,093,262</b>               | <b>(1,055,838)</b> | <b>(0.8%)</b> |



# CITY of PASADENA

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### **OTHER FUNDS**

The table at the end of this section provides revenue and expenditure forecasts for selected, major, non-General Funds. The funds included here are high profile funds or funds in which the FY 2015 forecast indicates there may be a positive or negative trend.

#### **Public Health Fund (203)**

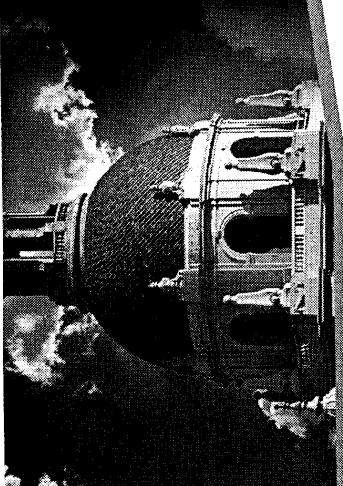
Revenues are trending slightly ahead of budget while expenses are trending below budget. The favorable revenues variance is in the area of Intergovernmental Revenues. While not confirmed, it is likely this variance is the result of anticipated FY 2014 grant revenues received in FY 2015. The favorable expenditure variance is primarily related to personnel expenses which are trending approximately 8.2 percent under budget. The forecast is being impacted by a number of staff vacancies. It is anticipated that as vacancies are filled the favorable variance will be mitigated accordingly and the fund will end the fiscal year at, or near, budget.

#### **Building Service Fund (204)**

Revenues are forecast to be approximately 4.3 percent over budget. This favorable variance is in the area of Licenses & Permits. These revenues are driven by the uptick in development activity in the City. These revenues will be closely monitored as the post-recession period has not followed historical trend lines, making an accurate forecast difficult. Expenses are forecast to also have a favorable year-end variance of 16.2 percent. The FY 2015 Budget assumed the fund would end the fiscal year with a surplus of approximately \$812,000. Based on this first quarter forecast, the fund is now projecting a surplus of approximately \$1.7 million at year-end.

#### **Library Services Fund (212)**

The year-to-date financial performance of the Library Services Fund is trending slightly better than the adopted budget. The forecast indicates this fund will end the year with a deficit of \$194,000. This projected deficit is less than the FY 2015



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budget deficit of \$324,000. The budgeted and projected deficits are the result of planned use of available fund reserves for library maintenance and repairs. Revenues are trending at budget. The primary driver for the forecasted reduction in the anticipated, year-end deficit is projected savings in personnel expenses resulting from budgeted, but vacant, positions.

### Selected Housing & Career Services Funds (219 – 224, 226, and 238)

These funds include both grant-funded activities and housing-related expenses supported through transfers from the General Fund. Since revenues from these sources are typically consistent with the budget, only a small variance is projected at year-end. Expenses are forecast to be approximately \$344,000 under budget. While personnel costs are currently trending slightly higher than budget, the projected favorable variance in Services & Supplies more than offsets the personnel variance. It is likely that these projected expense variances will be resolved as the fiscal year progresses.

### Light and Power Fund (401/410)

The FY 2015 revenues for the Power Fund are expected to be about \$630,000 or 0.3 percent less than the adopted budget. This is mainly due to a decrease in interest earnings of

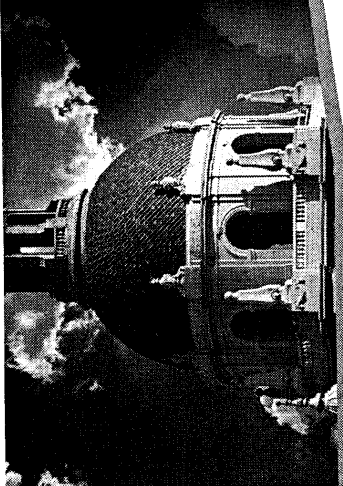
subordinated notes receivable from Intermountain Power Agency that were refunded in July 2014. Projected FY 2015 expenses are expected to be about \$1.4 million or 0.6 percent more than the adopted budget. This is caused by an increase in Purchased Power - Transmission expense due to a delay of credits available from a settlement related to the Transmission Service Agreement with Los Angeles Department of Water & Power.

### Water Fund (402)

The FY 2015 revenues for the Water Fund are expected to be about \$137,000 or 0.2 percent more than the adopted budget. This is primarily caused by an increase in projected rental income from Jet Propulsion Laboratory (JPL) parking lot resulting from the lease amendment. Projected FY 2015 expenses are forecasted to end FY 2015 virtually on budget.

### Computing and Communications Fund (501)

The FY 2015 forecast indicates this fund will end the year with a surplus of \$924,000; however, a large portion of the projected surplus, \$558,000, is earmarked for the principal payment on equipment that was financed in 2009. The remaining surplus was anticipated to fund future capital replacement needs and begin to rebuild the fund balance to



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meet a 10 percent reserve policy goal within the next five years. As an internal service fund, any year-end surplus will remain in the fund balance.

### **Building Maintenance Fund (502)**

The Building Maintenance Fund is in the third year of a five-year recovery plan which is designed to address the structural deficit in the fund by matching revenues with expenses. In November 2014, as part of the Operating Budget mid-year adjustment report, the budgeted figures for revenues and expenses will be revised, which will result in both ending the fiscal year within budget.

### **Fleet Maintenance Fund (503)**

Both revenues and expenses are projected to exceed budget by approximately one percent. Higher than budgeted expenditures result from both Personnel and Services &

Supplies but are offset by a like increase in revenues. Both of these expense categories can be difficult to project as a significant portion of work performed in this fund is dependent on demand from City departments. It should be noted that in FY 2015 vehicle purchases in the amount of \$2.0 million have been budgeted. The cost of these purchases is funded through internal service charges collected from City departments as part of the Fleet Maintenance Fund vehicle replacement program in the current and previous fiscal years.

### **Printing Services Fund (508)**

Both revenues and expenses are projected to end on budget in FY 2015. As detailed in previous FSRs, this fund has a balance deficit. A plan is being finalized to resolve the accumulated deficit of approximately \$1.2 million. The plan will be presented during the FY 2016 budget process.

# CITY of PASADENA

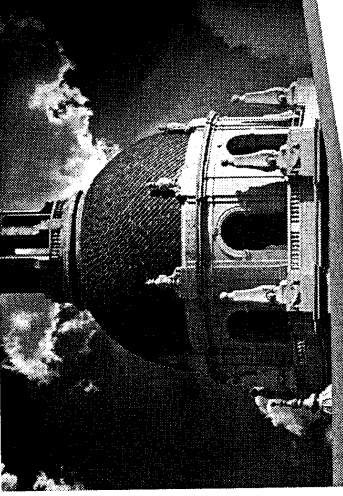
## FINANCIAL STATUS REPORT

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### Summary of Selected Major Funds

|   | Year-to-Date Actuals<br>July - September |               |              |               | Preliminary<br>FY 2015 | Year-to-Date<br>as % of Budget | Fiscal Year<br>2015 |               | Forecast Variance<br>from Budget |        |
|---|--|---------------|--------------|---------------|------------------------|--------------------------------|---------------------|---------------|----------------------------------|--------|
|   | FY 2011                                  | FY 2012       | FY 2013      | FY 2014       |                        |                                | Revised<br>Budget   | Forecast      | Amount                           | %      |
| <b>Public Health Fund (203)</b>   |  |               |              |               |                        |                                |                     |               |                                  |        |
| Revenues  | \$1,899,518                              | \$2,418,420   | \$2,703,740  | \$1,922,847   | \$2,013,905            | 13.1%                          | \$15,416,071        | \$15,845,490  | \$429,419                        | 2.8%   |
| Expenses  | \$2,404,825                              | \$2,569,535   | \$2,516,696  | \$2,957,227   | \$2,612,021            | 18.0%                          | \$14,546,689        | \$13,657,244  | \$889,445                        | 6.1%   |
| Surplus/(Deficit)   | (\$505,107)                              | (\$151,116)   | \$187,044    | (\$1,034,380) | (\$598,116)            |                                | \$869,382           | \$2,188,246   | \$1,318,864                      |        |
| <b>Building Services Fund (204)</b>   |  |               |              |               |                        |                                |                     |               |                                  |        |
| Revenues  | \$1,049,761                              | \$1,482,471   | \$1,420,094  | \$1,415,815   | \$1,342,035            | 20.6%                          | \$6,508,190         | \$6,786,311   | \$278,121                        | 4.3%   |
| Expenses  | \$1,105,658                              | \$1,057,894   | \$874,069    | \$820,951     | \$999,668              | 17.6%                          | \$5,695,709         | \$5,089,081   | \$606,628                        | 10.7%  |
| Surplus/(Deficit)   | (\$55,897)                               | \$424,577     | \$546,025    | \$594,865     | \$342,367              |                                | \$812,481           | \$1,697,230   | \$884,749                        |        |
| <b>Library Services Fund (212)</b>  |  |               |              |               |                        |                                |                     |               |                                  |        |
| Revenues  | \$3,073,306                              | \$3,136,609   | \$3,206,864  | \$3,277,390   | \$3,173,542            | 24.1%                          | \$13,277,941        | \$13,278,766  | \$825                            | 0.0%   |
| Expenses  | \$2,717,396                              | \$2,812,256   | \$2,671,618  | \$2,612,645   | \$2,703,479            | 19.9%                          | \$13,601,636        | \$13,473,258  | \$128,578                        | 0.9%   |
| Surplus/(Deficit)   | \$355,909                                | \$324,352     | \$535,246    | \$664,745     | \$470,063              |                                | (\$323,895)         | (\$194,492)   | \$129,403                        |        |
| <b>Selected Housing &amp; Career Services Funds (219 / 220 / 221 / 222 / 223 / 224 / 226 / 238)</b> |  |               |              |               |                        |                                |                     |               |                                  |        |
| Revenues  | \$3,361,621                              | \$3,357,309   | \$5,058,686  | \$3,371,799   | \$3,787,354            | 20.1%                          | \$18,887,874        | \$18,913,040  | \$25,166                         | 0.1%   |
| Expenses  | \$4,165,180                              | \$4,401,427   | \$4,920,847  | \$4,152,570   | \$4,410,006            | 23.2%                          | \$18,998,102        | \$18,654,570  | \$343,532                        | 1.8%   |
| Surplus/(Deficit)   | (\$803,559)                              | (\$1,044,118) | \$137,838    | (\$780,771)   | (\$622,652)            |                                | (\$110,228)         | \$258,470     | \$368,698                        |        |
| <b>Light and Power Fund (401 / 410)</b>   |  |               |              |               |                        |                                |                     |               |                                  |        |
| Revenues  | \$54,064,725                             | \$56,909,512  | \$58,307,541 | \$62,278,466  | \$57,394,298           | 26.8%                          | \$213,827,445       | \$213,197,340 | (\$630,105)                      | -0.3%  |
| Expenses  | \$52,817,777                             | \$57,849,918  | \$58,669,308 | \$58,419,559  | \$62,423,141           | 29.1%                          | \$214,630,870       | \$215,996,283 | (\$1,365,413)                    | -0.6%  |
| Surplus/(Deficit)   | \$1,246,948                              | (\$940,406)   | (\$361,767)  | \$3,858,906   | (\$5,028,842)          |                                | (\$803,425)         | (\$2,798,943) | (\$1,995,518)                    |        |
| <b>Water Fund (402)</b>   |  |               |              |               |                        |                                |                     |               |                                  |        |
| Revenues  | \$14,891,778                             | \$15,729,554  | \$18,652,740 | \$18,653,666  | \$19,787,308           | 30.2%                          | \$65,437,890        | \$65,575,326  | \$137,436                        | 0.2%   |
| Expenses  | \$11,918,801                             | \$13,290,138  | \$15,434,916 | \$13,380,467  | \$17,570,053           | 30.8%                          | \$57,068,377        | \$57,068,377  | \$0                              | 0.0%   |
| Surplus/(Deficit)   | \$2,972,977                              | \$2,479,417   | \$3,217,824  | \$5,273,199   | \$2,217,255            |                                | \$8,369,513         | \$8,506,949   | \$137,436                        |        |
| <b>Computing and Communications Fund (501)</b>  |  |               |              |               |                        |                                |                     |               |                                  |        |
| Revenues  | \$2,459,291                              | \$2,696,302   | \$2,849,799  | \$3,062,310   | \$2,766,407            | 19.2%                          | \$14,372,197        | \$14,146,022  | (\$226,175)                      | -1.6%  |
| Expenses  | \$2,807,773                              | \$2,932,093   | \$2,558,911  | \$2,688,408   | \$2,746,796            | 20.3%                          | \$13,515,923        | \$13,221,693  | \$294,230                        | 2.2%   |
| Surplus/(Deficit)   | (\$348,482)                              | (\$235,791)   | \$290,888    | \$373,902     | \$19,610               |                                | \$856,274           | \$924,329     | \$68,055                         |        |
| <b>Building Maintenance Fund (502)</b>  |  |               |              |               |                        |                                |                     |               |                                  |        |
| Revenues  | \$2,407,440                              | \$2,411,765   | \$2,681,204  | \$2,573,322   | 2,952,381              | 24.8%                          | 11,905,541          | 11,809,524    | (\$96,017)                       | -0.8%  |
| Expenses  | \$2,524,922                              | \$2,569,130   | \$2,277,101  | \$2,211,956   | \$2,910,204            | 31.3%                          | \$9,301,073         | \$11,320,133  | (\$2,019,060)                    | -21.7% |
| Surplus/(Deficit)   | (\$117,482)                              | (\$157,364)   | \$404,103    | \$361,366     | \$42,177               |                                | \$2,604,466         | \$489,391     | (\$2,115,077)                    |        |
| <b>Fleet Maintenance Fund (503)</b>   |  |               |              |               |                        |                                |                     |               |                                  |        |
| Revenues  | \$2,169,310                              | \$2,399,792   | \$2,225,978  | \$2,337,072   | 2,388,797              | 24.5%                          | 9,298,453           | 9,392,966     | \$94,513                         | 1.0%   |
| Expenses  | \$2,016,132                              | \$2,047,593   | \$1,919,618  | \$2,045,521   | 2,445,468              | 19.3%                          | 10,361,678          | 10,473,286    | (\$111,608)                      | -1.1%  |
| Surplus/(Deficit)   | \$153,178                                | \$352,199     | \$304,360    | \$316,551     | (\$66,670)             |                                | (\$1,063,225)       | (\$1,080,320) | (\$17,095)                       |        |
| <b>Printing Services Fund (508)</b>   |  |               |              |               |                        |                                |                     |               |                                  |        |
| Revenues  | \$234,598                                | \$133,948     | \$207,365    | \$150,372     | \$181,571              | 12.4%                          | \$1,465,824         | \$1,465,824   | \$0                              | 0.0%   |
| Expenses  | \$327,302                                | \$350,818     | \$340,852    | \$306,259     | \$331,308              | 22.6%                          | \$1,465,823         | \$1,471,987   | (\$6,064)                        | -0.4%  |
| Surplus/(Deficit)   | (\$92,704)                               | (\$216,870)   | (\$133,487)  | (\$155,887)   | (\$149,737)            |                                | \$1                 | (\$6,063)     | (\$6,064)                        |        |





# CITY of PASADENA

## FINANCIAL STATUS REPORT

Fiscal Year 2015 – Year-to-Date through September 2014

### OPERATING COMPANIES

#### Pasadena Community Access Corporation (PCAC)

Fiscal results for PCAC were not received by Finance department staff at the time this report. Preliminary information will be presented verbally at the October 27<sup>th</sup> Finance Committee meeting.

#### Pasadena Center Operating Company (PCOC)

|                   |                     |
|-------------------|---------------------|
| Revenues          | \$19,541,000        |
| Expenses          | <u>\$19,518,000</u> |
| Surplus/(Deficit) | \$ 23,000           |

Through the first quarter of FY 2015, revenues totaled \$4,922,000 which is approximately \$324,000 higher than budget. Operating revenue accounts for \$248,000 of this favorable variance and Non-Operating revenue accounts for the balance (\$76,000). Included in the FY 2015 budget was an amount of \$250,000 for capital expenses. To date \$25,000 has been expended. Assuming the entire capital budget is expended and based on current operating trends, PCOC is forecast to end FY 2015 with approximately a \$23,000 in operating surplus.

#### Rose Bowl Operating Company (RBOC)

Fiscal results for RBOC will be presented in a separate financial update at the November 24, 2014 Finance Committee meeting.

**Attachment B**  
**FY2016 Budget Priority Considerations**

- **Maintain fiscal responsibility and stability**
  - Expand employee education and training to increase policy compliance, career development, leadership, and succession planning
  - Replace Utility billing system (transition to monthly billing)
  - Consolidate parking garage management/operations and revenue control system
  - Develop paperless Section 8 operation
  - Increase cost recovery of programs and services (such as recreation, code compliance, and traffic reduction and transportation impact fees)
  
- **Improve, maintain, and enhance public facilities and infrastructure**
  - Replace and modernize Public safety facilities
  - More aggressively upgrade power distribution system reliability
  - More aggressively expand fiber optic system
  - More aggressively upgrade water system
  - Build new transit maintenance facility
  - Improve outdoor gathering spaces
    - Assemble land for new pocket parks and open space
    - Renovate existing park facilities
  - Enhance development and maintenance programs for public art and memorials
  - Improve virtual City presence, including more interactive, and customer-driven access to relevant content via all platforms and mobile devices
  
- **Increase conservation and sustainability**
  - More aggressive development of recycled water project/rates
  - Convert medians and passive spaces to more water efficient landscaping
  
- **Improve mobility and accessibility throughout the City of Pasadena**
  - Implement a Comprehensive sidewalk repair
  - Integration of Complete Streets components into CIP projects for Streets, Streetscapes and Transportation

- **Support and promote the quality of life and the local economy**
  - Expand homeless outreach and access to affordable housing programs
  - Realign programs and services to reflect present and future demographics (e.g. aging in place, cultural shifts)
  - Expand Collaborate PASadena
  - Invest in early childhood development
  - Expand local hire and apprenticeship/training programs
  - Expand foreign language materials and programs
  - Improve the Development review process
  - More aggressively implement Economic Development Strategic Plan (business attraction/retention)
  - Update Specific Plans, Zoning Code, and Design Guidelines to correspond with new General Plan
  
- **Ensure public safety**
  - Manage impacts of early prisoner release and sentencing reforms
  - Enhance vendor enforcement, smoking ordinance compliance, and residential housing code enforcement
  - Strengthen security in parks and other key city facilities
  - Deploy body worn police cameras
  - Replacement of ICIS radio channels and Fire Department radios
  - Install emergency vehicle traffic signal pre-emption devices
  - Increase neighborhood/community policing efforts
  - Replace Computer Aided Dispatch/Records Management System (CAD/RMS)